

conditions. My answer to this question is that we, as representatives of our people, are responding to the needs of breast cancer patients because we have heard the stories of thousands of American women and men who have been victimized twice by breast cancer first by the disease, then by the callous treatment of insurance companies. I find it regrettable that there are those who find legislative responsiveness to constituent needs to be out of line. While comprehensive health care reform would have addressed many of the specific complaints being brought to members of Congress, the political reality today is that only incremental measures have a chance of becoming law at this time. The suggestions that Congress should ignore some festering health care problems just because all of them cannot be addressed simultaneously is a great way to ensure that everyone suffers equally. I much prefer helping those we can whenever possible starting with, but not limited to, breast cancer patients.

Mr. Speaker, I urge my colleagues to cosponsor H.R. 164, the Reconstructive Breast Surgery Benefits Act.

H.R. 1512, THE EDUCATION
OPPORTUNITIES TAX ACT OF 1997

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. RANGEL. Mr. Speaker, today, I am introducing legislation, entitled the Education Opportunities Tax Act of 1997, which consists of tax provisions that are designed to expand educational opportunities in this country.

My bill would expand opportunities for students in K-12 and beyond. This goal is crucial to the country's social and economic well being. It's a well known fact, that without the proper educational tools, young people lose hope for the future. We have only to look at the high levels of crime, drug use, juvenile delinquency, teen pregnancy, and unemployment to know the value of a good education. Without basic academic opportunities, the future is bleak. My bill identifies communities that shoulder a disproportionate share of these social problems and offers a solution for hope.

The bill that I am introducing today is based largely on education tax incentives contained in the President's budget recommendations. My bill modifies the President's proposals in two major ways. Both modifications reflect many meetings with education providers and the business community over the last several years.

First, I believe that providing additional financial resources to assist families in meeting the cost of higher education is vitally important but not enough. We must do more to ensure that those students who wish to pursue higher education are prepared for the challenges of a college education. We also must work harder both to educate and train those students who choose or need to earn a full-time living after high school. In pursuit of this goal my bill would permit qualifying educational institutions to make this a reality. Therefore, my bill includes provisions to enhance academic achievement below the college level through public-private education partnerships. I believe that we must have greater private-sector in-

volvement in our educational system, and my bill contains tax provisions designed to encourage that involvement. Those tax provisions, called education zone tax incentives, are based on the principles of public-private partnerships that underlie the empowerment zone legislation.

Second, I believe that a revised Hope scholarship credit is the most effective way of using the tax law to help families meet the cost of higher education. Therefore, rather than including the other education tax incentives proposed by the President in my bill, I have proposed an expansion of the President's HOPE scholarship credit and made modifications to it to ensure that all students, regardless of their family incomes, will receive the full benefit of the credit. In addition to the \$1,500 credit for each of the first 2 years of college as proposed by the President, my bill provides a \$1,000 credit for the third and fourth years of college education. The dollar limitations would not be reduced by the amount of Federal grants such as Pell grants, and the student would be required to maintain satisfactory academic progress to be eligible for the credit.

The HOPE scholarship credit, as originally proposed by the President, would have been refundable and available to low-income families who would not have income tax liabilities. The refundable aspect of the credit was eliminated in the President's fiscal year 1998 budget proposals because of concerns over the difficulty of administration by the Internal Revenue Service. I believe that no family should be denied the HOPE scholarship credit merely because its family income is too low and, therefore, I have provided a refundable HOPE credit in my bill for students from such families. I believe that I have addressed the concerns that caused the President to eliminate the refundability feature of the HOPE credit. In my bill, the refundable portion of the credit would be paid by the educational institutions on behalf of the Treasury Department in a manner similar to that used for other Federal assistance.

Although the bill that I am introducing today contains only tax provisions, I recognize that tax provisions alone cannot provide sufficient additional resources needed to assist students in obtaining a higher level of education. Therefore, I have also cosponsored two bills, H.R. 1435 and H.R. 1436, introduced by Representative BILL CLAY on April 24, 1977. Those bills would expand the Pell grant program, reduce student loan fees, and provide school construction funds.

Although our proposals may differ, President Clinton and I share the same goal. We both believe that a lack of resources should not prevent any American from receiving a college education. A college degree is increasingly vital in our society. Government can and should play an important role in ensuring that all Americans have access to higher education. I firmly believe that expanding educational opportunities is the most efficient way of ensuring equal opportunities in our society.

Currently, this Nation is enjoying one of the longest periods of economic expansion in its history, with low unemployment and continued creation of new jobs. Much of the credit for that rests with the deficit reduction efforts of the Clinton administration and the technological advantages that our industries enjoy over their competitors in other countries.

We will not remain competitive in the world economy unless we invest in our human cap-

ital to maintain that technological advantage. Any resources available after deficit reduction should be invested in human capital. A recent survey of economists by the Wall Street Journal found that 43 percent of the economists surveyed stated that increased spending on education and research and development would be the one policy with the most positive impact on the economy.

Amazingly, while the concept of investing in human capital goes unchallenged in debate, elected leaders are still spending more of our Nation's limited budget resources on back-end, punitive programs like law enforcement and prisons, rather than front-end investments like education and training that can really pay off in increased work force productivity.

Unfortunately, these skewed priorities are present at the local level, too. New York City spends \$84,000 per year to keep a young man in Riker's Island Prison, yet only \$7,000 each year to educate a child in Harlem.

We must change our priorities. Let's invest in the future of this country through our children. Let's bring the same zeal to encouraging and educating our children that we now apply to punishment and incarceration.

The following is a brief summary of the provisions contained in my bill:

1. PUBLIC-PRIVATE PARTNERSHIPS

The bill contains a financing mechanism designed to provide needed capital and expertise to establish partnerships between public educational institutions and private businesses.

(a) Local governments would be authorized to issue special bonds (or otherwise borrow money) to cover the cost of establishing specialized academic institutions. These institutions would have to be located in empowerment zones or enterprise communities or primarily serve disadvantaged students. Because of the tax credit described in subparagraph (b), this capital could be raised with no interest cost to the local government. No bonds could be issued for any school unless there were assurances of private business participation described in subparagraph (c). The required private business contributions and the terms governing the financing would be designed so that each member of the partnership would provide equal contributions.

(b) The Federal Government would provide a tax credit to purchasers of the special bonds (or holders of other evidence of indebtedness) described in subparagraph (a). The credit would be paid annually in an amount equal to a percentage of the bond (or indebtedness) face amount that would permit the raising of interest-free capital by the local government. There would be an overall national limit on the amount of financing eligible for the credit. The annual limitation would be \$6 billion for 1998, 1999, and 2000. In order to avoid creating a tax-exempt bond with a substantial Federal guarantee, the credit would be included in income of the recipient and subject to tax.

(c) In order to be eligible for the special interest-free capital, the local government would have to secure written assurances of contributions from private business. Such contributions could consist of goods, expertise, training, or services. The businesses would benefit from current-law deductions for charitable contributions.

The bill also provides a tax credit to employers for hiring recent graduates of the schools established through these partnerships. The amount of the credit would be 20 percent of the first \$6,000 of wages paid during the first year of employment if the student is hired before a 6-month period after graduation.

2. HOPE SCHOLARSHIP TAX CREDIT

The bill includes a nonrefundable and a refundable HOPE scholarship credit. The nonrefundable credit would be claimed by taxpayers on their income tax returns if they have sufficient tax liability to fully utilize the credit. This credit would be administered by the Internal Revenue Service. Taxpayers with incomes too low to receive the benefit of the full amount of the nonrefundable credit would be entitled to a refundable HOPE credit. The refundable credit would be paid by the institution at which the student is enrolled under procedures similar to those used in providing other Federal educational assistance.

For the first two years of college, the maximum amount of the credit would be \$1,500 for a full-time student and \$750 for a half-time student. For the third and fourth years of college, the maximum amount of the credit would be \$1,000 for full-time and \$500 for half-time. The limitations will be indexed for inflation.

The credit would be available for the first four years of post-secondary education. A part-time student would have to be at least a half-time student for the year.

The credit would be available on a per-student basis. To be eligible for the credit, the student would have to maintain satisfactory academic progress and remain "drug free" (not convicted of a felony involving drugs).

The credit would be available for qualified expenses incurred by the taxpayer, taxpayer's spouse, or taxpayer's dependent (as defined in Code section 151). Qualified expenses consist of tuition and fees required for enrollment or attendance. The credit would not be available to married taxpayers unless they file a joint return, and would not be available to nonresident aliens.

Expenses for this purpose would be net of grants, scholarships, and fellowships. Pell Grants and other nontaxable Federal scholarship assistance would not reduce the dollar limitation on the credit but like other scholarships would be offset against qualified expenses in determining the amount of credit.

The credit would be phased out over the following adjusted gross income levels: Joint filers, \$80,000-\$100,000; and Unmarried filers, \$50,000-\$70,000 (indexed for inflation beginning in year 2000).

The credit would be effective for expenses paid after December 31, 1996, for education furnished in academic periods beginning on or after July 1, 1997 (the beginning of the 1998 academic year).

COMMENDING JUDY AND HERB GALPERSON AS THE FIRST COUPLE OF SINAI TEMPLE

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. SHERMAN. Mr. Speaker, I rise today to commend and congratulate Judy and Herb Galperson as the first couple of Sinai Temple. The Galpersons represent the best of family life, professional life, and community involvement. Mencius, an ancient Greek writer, said that "The root of the state is in the family. The root of the family is in the person of its head." Herb and Judy are the root of their family and community.

On the professional level Judy has worked in public service as a coordinator of volunteers for the Edelman for city council campaign and as a deputy to councilman Edmund D.

Edelman. She also makes use of her artistic talent and entrepreneurial spirit in her current position at an interior design company. Herb has had an existing career in law. Herb graduated from Brooklyn College in 1953, and then went on to New York University School of Law, where he received his J.D. and began practicing law. A short time later he followed his brother to Los Angeles and practiced on his own for a few years. Herb eventually joined the law firm of Rose, Klein & Marias.

The Galperson's most outstanding feature, an inspiration for all Americans, is dedication to community. Judy and Herb have been involved in every facet of community organization. She has been a member of the board of directors for the Otis Art Institute and a member of the Los Angeles County Music and Performing Arts Commission; He belongs to various bar associations and has been a officer and on the board of directors of several organizations, including president of the Southern California Applicants Attorneys Association. Judy and Herb have served together on several Jewish organizations and are life members of Southern California Hadassah. Recently, in recognition of Judy's contribution to the community, she was invited to the White House to participate in a dialog with First Lady Hillary Clinton and 12 other community members from across the country.

As for the Galperson's family life, Herb met Judith Arlene Harris in 1967 on a blind date and with a few short months they were married. Two years later, their first son, David, was born, followed by Robert. David received his J.D. degree from Southwestern School of Law, was admitted to the State bar of California, and currently practices law in San Bernardino. Robert received his B.A. from the Annenberg School of Communications, University of Southern California, and currently works in sales administration at Barth & Dreyfuss in Los Angeles. Their success in school and in their professional life would not have been possible without their parents' guidance and support. I congratulate Judy and Herb on raising two fine citizens.

The Galpersons have given an extraordinary amount of time and energy to serving the Los Angeles community. I honor them for their service and hope that they will serve as rolemodels for others. Once again I congratulate Judy and Herb Galperson as first couple of Sinai Temple.

SALUTING MISTY PUTMAN

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. HALL of Texas. Mr. Speaker, I rise today to pay tribute to a special East Texan, Misty Putman, a senior at Arp High School who recently was awarded the Horatio-Alger Scholarship for her uncommon valor and perseverance in the face of difficult circumstances. She was invited to Washington this week for a conference in recognition of this impressive award. Americans, young and old alike, could learn a great deal from this young woman.

Three years ago, Misty's father, Terry, died of a heart attack. As we know, the death of a family member can be a crippling blow, yet

Misty's response revealed her strength of character and resolve. She came to the assistance of her mother, Donna, who was facing difficult financial circumstances. Misty began working almost forty hours a week at Brookshire's Grocery in Overton and continued as a full-time student at Arp High School, while her mother also held three jobs in order to meet their expenses.

Misty's perseverance and hard work resulted in her being awarded the \$5,000 Horatio-Alger Scholarship. In doing so, she also gained the respect of her peers and her community, and she was recently honored during an awards ceremony at Arp High School. Misty plans to use this prestigious scholarship to attend either Tyler Junior College or Kilgore College in the fall, with plans for a future transfer to Stephen F. Austin University. She plans to major in sociology or criminal justice with hopes of becoming a probation officer, where she plans to use her life experiences to help those in need. We can anticipate that she will be most successful in whatever she pursues.

Mr. Speaker, there is no way to measure the positive impact Misty has had on her family, her school and her community. Young people like Misty are our Nation's future leaders, and their efforts will help keep America great. It is a privilege for me to represent such an outstanding young person from the Fourth District of Texas, Misty Putman.

COMMENDING OFFICER TIMOTHY J. MITCHELL

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. VISCLOSKY. Mr. Speaker, at a time when crime concerns are on every citizen's mind, those who have dedicated their lives to law enforcement are to be commended. I would like to make a special commendation to Officer Timothy J. Mitchell, a very devoted law enforcement officer from Indiana's First Congressional District. Officer Mitchell retired from the Schererville Police Department in April of this year. He will be honored by family, friends, and members of the Schererville Police Force at a testimonial dinner tomorrow night at Teibel's Restaurant in Schererville, IN.

Tim joined the Schererville Police Department on March 31, 1977, after receiving an honorable discharge with the rank of sergeant from the U.S. Air Force in 1976. He worked in both the patrol and detective division of the police force, and was promoted to the rank of corporal on February 15, 1984. During his career with the Schererville Police Department, Tim participated in the Officer Friendly Program. This program began within the northwest Indiana region in the early 1970's, and was designed to educate children on issues of safety and encourage communication between police officers and children. As Officer Friendly, Tim visited schools throughout the region, teaching lessons of safety to children during dangerous times of the year, such as Halloween and summer, and promoting such programs as Bicycle Safety.

Tim was also a participant in the Schererville Police Department's Drug Awareness Resistance Education program [DARE]